

THE WEATHER FORECAST.
Generally fair to-day and to-morrow;
gentle to moderate winds.
Highest temperature yesterday, 85; lowest, 70.
Detailed weather reports on page 6.

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ONE CENT In Greater New York Elsewhere TWO CENTS

TEUTONS SWEEP ON IN GALICIA ON 155 MILE FRONT

Russian Divisions in North
Now Begin to Show
Signs of Retreat.

SLAUGHTER IS AWFUL

German Success South of
Tarnopol Marked by Big
Capture of Booty.

FLEEING TROOPS MUTINY

Entire Units of Provisional
Army Retire After Victory
Over the Enemy.

LONDON, July 24.—While the Austro-Germans are sweeping ahead on a front of 155 miles through the Galician territory so lately won by the reformed Russian armies, with the loss of morale, of arms and stores, the Russian divisions which had made a brave showing in the northern sector centred on Dvinsk are also beginning to totter.

Petrograd officials report to-night that entire units of the provisional army returned to their trenches after taking the main positions from the Germans on both sides of the Dvinsk-Vilna railroad. A number of units allegedly declined to obey orders during the progress of the battle.

South of Tarnopol, says Petrograd, the Germans have crossed the Sereth River and have defeated the Russians, who are in retreat eastward. To this effect statement from the provisional government the added fact that a picture of more than usual length from the German General Staff.

Credit is given the Russians for inflicting strong attacks in the sector, but it is stated that terrible losses followed the attempts. Only remnants of regiments belonging to eight divisions remained in the hands of the Germans south of Smorgon. Kruvo, taken by the Russians in the flush of their newly found political life, is again in the hands of the enemy.

Cannon and Food Abandoned.

In the Galician zone the Teutons forced their way over the Sereth River and from the Sereth to the wooded Carpathians the Russians fled hastily before the foe, abandoning cannon, arms, munitions, transportation and food.

Some of the German divisions, Berlin, report taking 3,000 prisoners each.

Galician, the little town that had passed into Russian hands, the Sereth, passed out of their hands. An unofficial German statement says the Germans are cutting in behind the Russian lines and they will not be able to save the large stores in the military depots at Kruvo and Kryniv.

Forty-seven cannon are reported to have been taken by the Teutons, and airplanes based the Tarnopol station while the Russians were trying to load their supplies on trains. Vienna says the Russian attacks have been driven from the usual routes of communication and are retreating by difficult paths.

Russian losses in officers, who are being recruited, are enormous. Attempts to stay the rout, are enormous, mutinies the statement.

Near Domok, on the Rumanian front, the "Battalion of Death" took the prisoners.

Test of Official Reports.
The official statements follow:
—South of Tarnopol, the Teutons, after strong artillery preparation, occupied German positions on the left of the Dvinsk-Vilna railroad. After this success the entire unit without any pressure on the part of the Germans, voluntarily returned to their original trenches. A number of units refused to carry out military commands during the battle.

Detachments of the Twenty-fourth Division, the Tusk, Lovitky and Baronsk, having been driven from the front, acted heroically, and as at the time, the gallantry of the officers was noteworthy. Their losses were enormous. The chief of the division, Gen. Dolgov, is suffering from gas poisoning.

In the direction of Vilna and in the north of Kruvo the enemy delivered a number of counter attacks, and succeeded in occupying one of the heights north of Bogum, which we agreed with me. The parents already had given me permission to do what I thought best.

"So I simply went over the slight operation I had performed and the baby was left as she was brought to me. Its death was only a matter of a few hours and there was no suffering."

"Baby Meter's condition may have been the result of a fright suffered by the mother before the baby was born. Half a year before the little one came into the world the mother witnessed an accident in which a man was mutilated. But this is incidental. It may interest those physicians who have held this sort of thing impossible."

He Won't Operate on 2 Others.
"The first of the other babies is five months old, born to a family named Maty. It was brought here a month ago, paralyzed and with the head incurably affected."

By operating I could have prolonged life for a year or so, any way, for a number of months. But such things are a strain on the family and eventually would be a strain on the State. So I did not operate. I explained to the mother that she was willing for their child to wait for death."

The third baby is Paul Hadzima. Paul is three months old. The head is misshapen and defective and there is a malady that makes breathing an agony for the infant. I am prescribing enough paragon to keep it drugged until death eases its suffering. In doing this I feel I am doing the greatest service to humanity. It is better than experimenting with a knife for my own satisfaction."

Explosion Near Navy Yard.
PHILADELPHIA, July 24.—A storage tank of the Atlantic Refining Company on the Schuylkill River at Point Breeze exploded with a loud report at 11:35 to-night, throwing flames into the air and illuminating the entire southern end of the city. The plant is within a mile of the navy yard.

BALKANS CAMPAIGN MAY BE ABANDONED

Conference To-day Will Decide
on Releasing 700,000.

PARIS, July 24.—On the eve of the conference of representatives of the Entente Allies on the military and political situation in the Balkans it is stated there is a probability that the forces now under the command of Gen. Sarail, which number 700,000 men, will probably be ordered back to France. The conference convenes to-morrow.

No secret is made in official circles of the fact that there is considerable dissatisfaction with the trend of events in Macedonia. That the conference will bring about a number of reforms in the Balkan policy is assured. France needs all her own troops on the western front and will therefore welcome any relief that is offered through the cancellation of the orders that keep so many of them far from home.

Premier Lloyd George, Foreign Secretary Balfour and Gen. Sir William Robertson, chief of the imperial staff at army headquarters, are here from England and Baron Sonnino, Foreign Minister, Gen. Cadorna, commander in chief, and others have come from Italy. France will be represented strongly. Premier Lloyd will preside.

Russia's views will be presented by the Charge d'Affaires, M. Sevastopoulo. The Rumanian Minister, M. Lahovary, and the Minister of War, M. Belduceanu, will represent their governments.

The invitations to the conference were sent out by the British Government. Among them, the United States, accompanied by the explanation that it would be a small conference to consider specific objects and stating that the United States had no troops in the Balkans, although its representatives would be welcomed. Washington called that the United States did not wish to take part in the gathering.

A conference of naval authorities also will be held. Vice-Admiral Sims, commander in chief of the American naval forces in the war zone, will be invited to attend. Great Britain will be represented by Admiral Jellicoe, First Sea Lord, France by Rear Admiral Lacaze, Maritime Minister, and Italy by Vice-Admiral Thaon di Revel, former chief of the naval staff.

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Besides the additional sums needed for the American war programme, Secretary McAdoo told the Senate committee, that the \$500,000,000 authorized for loan to the Allies probably would be used only until October, and that about \$2,000,000,000 for their further assistance would be needed. Provision for this, however, is not planned in connection with the pending revenue legislation. It probably will be considered at the next session.

By the end of the week the committee hopes to arrive at a decision as to what to do with the bill. It is expected to be passed by the end of the week. The bill is expected to be passed by the end of the week.

Chairman Simmons of the Finance Committee was all ready to submit the majority report of the committee and to urge prompt passage of the bill as early as possible. The bill is expected to be passed by the end of the week.

He showed that practically 70 per cent. of the yield expected from the measure as now drafted would come from the income tax and increases in the income tax rates.

Senator Smoot, a leading revenue expert, in addressing the Senate on the tax and revenue bill, said before Secretary McAdoo's visit pointed out some reasons why money should not at this juncture be wasted in "pork barrel" legislation. He showed that America's Government had been growing in size and that the proposed new budget of \$5,000,000,000 would bring the expenditures close to \$10,000,000,000 for the first year of the war.

"People Want Money's Worth."
"In view of these extraordinary figures no Senator can stand here and raise objection to the most scrupulous of the methods employed in expending America's treasure," said Smoot. "How easily these enormous sums are appropriated: We never take into consideration how the money is to be raised. Somebody's got to pay. I believe the people of this country are willing to pay any amount necessary to win the war if they are getting the money's worth for every dollar spent."

Financial experts in the Senate expressed the opinion that safety in the development of the American financial programme for the war will demand that approximately 20 per cent. of the annual expenditures be derived from taxation. With the exception of the \$1,000,000,000 increase in the volume of revenue to be derived from income legislation must be nearly \$500,000,000.

Only minor changes in the lesser units will be made, their personnel of rank remaining virtually the same.

WASHINGTON, July 24.—Once more an obstacle has been thrust into the pathway of the \$1,870,000,000 war revenue bill, and this time at the request of the Secretary of the Treasury, who to-day appeared before the Senate Committee on Finance and Commerce.

Mr. McAdoo told the committee that Congress for a new war budget calling for not less than \$5,000,000,000, an exclusively predicted in THE SUN several weeks ago.

One of the reasons why the war budget is to be increased in such a stupendous sum is that the plans of the American Staff have been revised so that it is the present anticipation that within a year a million American fighting men will be landed in France instead of half a million, as earlier predicted.

Mr. McAdoo told the committee that it is the Administration's wish that at least a part of the \$5,000,000,000 budget should be met by taxation. This call for the addition of numerous new items to the war revenue bill.

Following his general statement to the committee the Secretary advanced the bill for the new war budget, which calls for an increase of \$1,870,000,000 in the revenue to be provided for in the bill. The committee took no action, however, beyond adopting a resolution requesting the Secretary to prepare an estimate of all the items of the department of the Government.

Two Billions for Allies.
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Only minor changes in the lesser units will be made, their personnel of rank remaining virtually the same.

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Gen. Joffre and Bridges explained that the smaller and more mobile division used in European armies had proved highly satisfactory. Cooperation of the American army with those now fighting in Europe would be simplified, they declared, if the divisions were reduced.

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15,000 STRIKE AT TAMPICO OIL FIELD

Companies Refuse Wage Demand of Workers.

MEXICO CITY, July 24.—A general strike of the workmen employed in the Tampico oil fields broke today. It affects the entire territory and refining plants in that section. About 15,000 men are employed in the various trades.

There has been no disorder so far, according to reports received by the American Embassy, and the Government troops have been instructed to give protection to the property of both foreigners and Mexicans.

The general strike was preceded by a strike of the river boatmen, who asked for an increase in wages and a betterment of conditions. This was denied them. The men engaged in the general strike also demanded an increase, which the companies declined to grant.

GOETHALS
DENMAN BOTH
LOSE SHIP JOBS

Rear Admiral Capps' Will
Direct Construction of
Merchant Fleet.

E.N. HURLEY HEADS BOARD
President's Action Ends Row
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WASHINGTON, July 24.—President Wilson brought the Shipping Board row to an abrupt termination to-day by eliminating the two principals—William Denman, chairman of the board, and Major Gen. George W. Goethals, manager of the board's Emergency Fleet Corporation in charge of construction.

The resignation of Gen. Goethals, tendered several days ago, was accepted, and Mr. Denman was asked by the President to follow suit, that the Government's building programme might go forward without embarrassment.

Edward N. Hurley of Chicago, former chairman of the Federal Trade Commission, was named by the President to succeed Mr. Denman as chairman of the board, and Bainbridge Colby of New York as appointed successor to Capt. John B. White of Kansas City, another board member whose resignation, offered to the President a month ago, also was accepted.

Rear Admiral Washington L. Capps, chief construction officer of the navy, will succeed Gen. Goethals as manager of the fleet corporation, taking immediate charge of the building programme.

The official letters of Mr. Hurley and Mr. Colby went to the Senate this afternoon and were referred to the Commerce Committee. Their prompt confirmation, as indicated by both Democratic and Republican leaders.

Denman Surprised.
Mr. Denman sent his resignation to the White House immediately after receipt of the President's letter terminating it. The President's action, however, took him by surprise, but his only comment was this:

"It was a great relief to me to settle the whole thing. I want to help the President in every way possible, and never have questioned the wisdom of his decisions."

It was reported to-night that Theodore Brent, vice-chairman of the board, who has been a strong supporter of Mr. Denman's position, had offered to quit the board if the President thought it best. He said he regretted to see that, but at the White House it was said no communication had been received from him.

John A. Donald and R. B. Stevens, other board members who have lined up with Gen. Goethals, said they had no intention of resigning.

The President's method of ending the controversy came as a great surprise to most officials here, who had believed the matter would make a final effort to compose the situation by dividing definitely between the Shipping Board and the manager of the fleet corporation, who had been referred to the Executive by Congress. Mr. Wilson apparently became convinced, however, that Denman and Goethals, both of whom were in a measure to be blamed for the delay in the shipbuilding programme.

From the start of the trouble, it became known to-night, Mr. Denman did not have the full support of the board for his wooden ship programme. Mr. Donald, who had been a strong supporter of the General, but Mr. Brent and Capt. White stood with the chairman. After he had offered his resignation, which Mr. Stevens consistently supported, Mr. Wilson returned to Washington in time to cast the deciding vote against the Goethals building programme.

Cause of Split.
Gen. Goethals' announcement of this programme furnished the cause for a definite split between him and Mr. Denman, who had been a strong supporter of the original programme proposed by the Shipping Board, but Mr. Denman is said to have resented the fact that the executive order authorized the board to operate ships and the corporation to build them. Gen. Goethals, reinforced by a letter from President Wilson, which he cited, stated that he was hampered, took the order to mean he would have a free hand. Mr. Denman, with a letter from the President which he cited, stated that he was hampered, took the order to mean he would have a free hand.

The President's order conferring the new duties on the board authorized the board to operate ships and the corporation to build them. Gen. Goethals, reinforced by a letter from President Wilson, which he cited, stated that he was hampered, took the order to mean he would have a free hand.

Members on both sides said to-day that the President had blundered in gratuitously attacking the section, thus raising a strong fact issue for the first time since the outbreak of the war. The effect of the President's letter, they say, will be to reflect on the motives of Republicans in their support of Congress and upon their patriotic, non-partisan support of the President's war programme.

President Created an "Issue."
They declare that if the President had refrained from public attack on the proposal there would have been little difficulty in settling the matter. The letter of the President, they say, not only created an issue which would not otherwise have been pressed, but in so doing caused a delay of one day in getting to conference.

Senator Weeks, original proponent of the Weeks-Owen amendment providing for the special Congressional joint committee on war expenditures, is optimistic as to the ultimate success of his measure as a part of the food control bill even in the face of the President's condemnation.

"For the first time in many a long day," he said to-night, "the Republicans of the Senate voted as a unit. We need only six or seven Democratic votes to hold our position, and the number of Democrats who voted for the amendment last Saturday was far larger than that."

COCHIN'S SON-IN-LAW KILLED
Two Sons.
PARIS, July 24.—Capt. Armand de Bourmont, commanding heavy artillery at Verdun, has been killed at the front. He was a son-in-law of Baron Denys Cochlin, under secretary of the Foreign Office in charge of blockade questions. Baron Cochlin has lost two sons at the front.

Continued on Third Page.

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CITY'S DRAFT QUOTA 38,865; SOME TO GET CALL TO-LAY; WHITMAN ADVISES BOARDS

'Master List' to Be in Hands